



BACKGROUNDER

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Global Climate Coalition An Overview

Mission

The Global Climate Coalition (GCC) is an organization of business trade associations and private companies established in 1989 to coordinate business participation in the scientific and policy debate on the global climate change issue.

GCC is dedicated to: 1) assessing scientific research on global climate change, 2) analyzing economic and social impacts of policy options, 3) creating an understanding of the global dimensions of the issue to ensure that solutions are addressed equitably by all nations, 4) encouraging transfer of technology to developing nations, and 5) promoting a voluntary commitment among members to "Guiding Principles for Business" that benefit the environment, are consistent with good business practices and are technically and economically feasible.

Programs

GCC is the leading voice for industry on the global climate change issue, and represents its members both internationally and domestically before government agencies, Congress, the media and the general public. The coalition contributes to a balanced debate on global climate change by sponsoring independent research and studies that examine the potential impacts of proposed global climate change policies on the economy. Through educational materials and programs, GCC supports an informed press and public, and an open scientific dialogue.

Position on Climate Change

GCC accepts the finding that there is a natural "greenhouse effect" which protects the Earth from the freezing rigors of space. GCC agrees that the amount of so-called greenhouse gases in the Earth's atmosphere is increasing. In addition, GCC also accepts that the Earth's climate has warmed about 0.5° C since the late 19th century. It is an open question however, what the cause



of this warming has been. The GCC believes that the preponderance of the evidence indicates that most, if not all, of the observed warming is part of a natural warming trend which began approximately 400 years ago. If there is an anthropogenic component to this observed warming, the GCC believes that it must be very small and must be superimposed on a much larger natural warming trend. These positions are consistent with the following IPCC conclusions:

*"...the long-term change of temperature could be interpreted as showing a gradual increase from the late 16th century, interrupted by cooler conditions in the 19th century."*¹

*"The rather rapid changes in global temperature seen around 1920-1940 are very likely to have had a mainly natural origin."*²

*"None of the studies cited above has shown clear evidence that we can attribute the observed [temperature] changes to the specific cause of increases in greenhouse gases."*³

The GCC believes there is no convincing evidence that future increases in greenhouse gas concentrations will produce significant climatic effects. Such evidence necessarily must be based on projections produced by climate models. The IPCC Second Assessment Report (SAR) has highlighted a large number of inadequacies in current climate models which raise serious doubts about the credibility of current climate change scenarios, and therefore the policy-relevance of impact projections to policy makers.

*"Furthermore, the differences between the internally-generated noise estimates from different GCMs translate into important uncertainties....These noise estimates are the primary yardsticks that must be used to judge the significance of correspondences between modeled and observed changes. They may be flawed on the century time scales of interest....The burden of proof this is not the case lies with climate modellers...."*³

If the "primary yardstick" is flawed, then doubts about the credibility and policy-relevance of climate scenarios and impact projections are justified. The GCC believes the scientific community has not yet met the "burden of proof" that greenhouse gas emissions are likely to cause serious climatic impacts.

In addition, the SAR makes it clear that in order to establish any evidence of a human influence on climate, potential human effects must be distinguished from the background "noise" of natural climate fluctuations. The SAR makes it clear that such quantification requires rigorous statistical analysis, which climate researchers have not yet performed. Consequently, we note the

following IPCC conclusions :

*"While some of the pattern-based studies discussed here have claimed a significant climate change, no study to date has positively attributed all or part of that change to anthropogenic causes. Nor has any study quantified the magnitude of a greenhouse-gas effect or aerosol effect in the observed data--an issue that is of primary relevance to policymakers."*³

Considerable uncertainty remains within the scientific community about fundamental questions relating to this issue. Significant reductions in these uncertainties are essential. For this reason, GCC supports a coordinated international research program, the continuation of U.S. climate research efforts (\$1.8 billion requested for FY 1995), in addition to independent and industry sponsored research. GCC also supports activities to reduce greenhouse gas emissions that make sense in their own right, thus continuing sound business practices that will lead to more efficient use of energy while supporting economic growth.

GCC believes that there are trade-offs associated with many of the regulatory schemes to control greenhouse gas emissions. Some of these proposals would impose a direct tax on businesses and consumers through energy or environmental fees while other proposals would impose a hidden tax through other indirect, control measures. These trade-offs would include higher energy and product costs to American consumers, higher operating costs for industry and a potential negative impact on employment. Importantly, many of these proposals would create a competitive advantage for our international trading partners at the expense of U.S. jobs and economic growth.

The GCC believes, along with the IPCC, that policymakers should be realistic when considering greenhouse gas mitigation policies:

"The applicability of any option must be evaluated against (among other things) a background of a country's technology and human resources capability, financial resources, cultural and social acceptability, and the political and legal framework. This is not to suggest that these constraints are not insurmountable but that decision makers must be realistic when considering the range of options available to them."⁴

Membership

The current membership of GCC represents a broad cross-section of U.S. business organizations and companies representing a range of industrial sectors, including: oil, coal, paper, automobile manufacturing, railroads, chemical manufacturing, and utilities.

Organization

The GCC Board of Directors serves as the organization's governing body. The Operating Committee oversees the functional implementation of GCC activities, and John Shlaes, Executive Director, has oversight of day-to-day operations. To address specific aspects of the global climate change issue and to evaluate policy options, GCC utilizes ten committees, including Science and Technology, Communications, Economic Analysis, Federal Affairs, and International.

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1. IPCC Working Group I Report, section 3.6.4, Madrid 27-29 Nov., 1995
2. Climate Change, the 1990 IPCC Assessment, Cambridge University Press, section 7.12.
3. IPCC Working Group I Report, section 8.7, Madrid 27-29 Nov., 1995
4. IPCC Working Group II Report, section 9.6.3, Montreal 16-20 Oct., 1995

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